

UNCLASSIFIED

INTERNAL ONLY

CONFIDENTIAL

SECRET

ROUTING AND RECORD SHEET

SUBJECT: (Optional)
Liquidation Plan for DDO Operational Activity PDDYNAMIC

FROM: *(u)*
Chief, Soviet/East European Division
EXTENSION: 4307/9045R
NO. _____
DATE _____

TO: (Officer designation, room number, and building)
RECEIVED FORWARDED OFFICER'S INITIALS
COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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		RECEIVED	FORWARDED		
1.	OGC Room 7 D 07	9-1-78	9/6	[initials]	For Concurrence
2.	D/Fin Room 1212 Key Bldg.	9/12/78	9/12/78	[initials]	For Concurrence
3.	O/Compt Room 4-E-06	9/12/78	9/15/78	[initials]	For Concurrence
4.	C/CCS Room G H 56			[initials]	For Concurrence
5.	D/L Room 2 C 02 Page Bldg.		10/12	[initials]	For Concurrence
6.					
7.	EPS/MRB-Eleanor Room 2 C 20 HQS	5 OCT 1978		✓	
8.	SSA/DDA Room 7 D 18	17 OCT 1978		✓	For Approval
9.	C/EPDS Room 2 D 32	18 OCT 1978		[initials]	For Approval
10.	EPS/MRB	2 NOV 1978		[initials]	Original forwarded to OF/CSAD/PSB
11.					
12.	C/SE Room 5 B 4803				BY HAND Call x6118
13.	C/SE/SA				
14.					
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CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

31 8 4635

S E C R E T



OGC 78-5826
9-1-78

COMPT 78-0949

31 AUG 1978

MEMORANDUM FOR: Deputy Director for Operations
Deputy Director for Administration

FROM : [Chief, Soviet/East European Division

SUBJECT : Liquidation Plan for DDO Operational
Activity PDDYNAMIC

1. Action Requested: Approval of the attached
Liquidation Plan for Operational Activity PDDYNAMIC.

2. Background: PDDYNAMIC is a Ukrainian-language
publisher and distributor with the main office in
New York City (Prolog Research Corporation) and the publishing
and operational offices in Munich, Germany (Ukrainian Society
for Studies Abroad). The association has been funded by the
Agency since 1949. Our objective is to distance ourselves
from the management of the company for operational security
reasons, while continuing to maintain our support of the
Activity through a noncontrolled subsidy.

The Agency will retain its role of funding the
PDDYNAMIC activity, which will be accomplished with funds
transferred to the company's account by OF/MD upon request
from SE Division. The assets of the company have an
estimated market value of less than \$10,000. The stock
certificates held by OF/CSAD/PSB will be returned to the
company for safekeeping when liquidation is completed.

3. Recommendation: The attached Liquidation Plan
has been concurred in by the appropriate Agency components
and is recommended for your approval.

Attachments

- A. Liquidation Plan
- B. Concurrence Sheet

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CL BY []

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APPROVED:

By the Direction of the DDA

[Signature]
SSA/DDA

17 OCT 1978

Date

By the Direction of the DDO

1/s/C [Signature]
C/EPDS

2 NOV 1978

Date

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MEMORANDUM FOR: Deputy Director for Operations
Deputy Director for Administration

FROM : [Chief, Soviet/East European Division

SUBJECT : Liquidation Plan for DDO Operational
Activity PDDYNAMIC

DDO/SE/SA, []:pas (18 Aug 78)

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- ~~1~~ - SE/SA/PDDYNAMIC Development & Plans File w/atts

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LIQUIDATION PLAN FOR SE DIVISION OPERATIONAL ACTIVITY PDDYNAMIC

1. Terms of the Plan: The provisions of this Liquidation Plan apply to the dissolution of the Agency's proprietary relationship with PDDYNAMIC.
2. Background: PDDYNAMIC is a Ukrainian-language publisher and distributor with the main office in New York City (Prolog Research Corporation) and the publishing and operational office in Munich, Germany (Ukrainian Society for Studies Abroad). The Agency has been funding this activity since 1949 to support covert action operations. The New York office is incorporated under the laws of the State of New York as a commercial taxable enterprise with stock issued (the shareholders are employees of the company) and the Munich office is a non-profit association certified for operating in Germany.
3. Approval for Termination: SE Division recommendation for termination of the Agency's proprietary role in PDDYNAMIC, dated 9 June 1978, was approved by the ADDO on 10 June 1978.
4. Financial Statements: Financial statements as of 30 June 1978 are attached. Statements for the period ending 30 September 1978 will be provided to the Office of Finance when liquidation and transfer are completed.
5. Method of Liquidation: Agency proprietary interest in PDDYNAMIC will be liquidated by returning the signed stock certificates to the PDDYNAMIC stockholders. We will also transfer the PDDYNAMIC pension plan managed by [] to an outside insurance firm so that PDDYNAMIC can deal with them directly. Severance payments will be made to the New York employees (two weeks' pay for each year's service not to exceed one year's salary) when liquidation completed and funds are made available.
6. Disposition of Assets: Assets will remain in place as part of this continuing Activity.
7. Final Audit: Activity PDDYNAMIC is scheduled for Audit in early October 1978.
8. Accounting and Write-Off: The Office of Finance is authorized to accept the October 1978 financial statements for recording in the Agency's system of accounts.

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CONCURRENCE SHEET

1/s/c]
Office of General Counsel

6 SEP 1978
Date

[Signature]]
Director of Finance

11 SEP 1978
Date

C]
Office of Comptroller

15 SEP. 1978
Date

[Signature]]
Chief, Central Cover Staff

4 OCT 1978
Date

C]
* Director of Logistics

12 OCT 1978
Date

* On the basis that the Activity will continue operations and support Agency interest rather than be terminated in the normal sense, the write-off of property assets is authorized as an operational expenditure to the Project.